

JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH LANSING

KEITH W. COOLEY DIRECTOR

Analysis of Enrolled House Bill 5319

Topic: Blight Courts--Housing Law Violations

Sponsor: Representative Jackson

Co-Sponsors: Representatives Tobocman, Johnson, Lemmons, Meadows, Farrah, Opsommer,

Clack, Hammon, Leland, Cushingberry, and Cheeks

Committee: House Intergovernmental, Regional and Urban Affairs

Senate Local, Urban and State Affairs

Date Introduced: October 16, 2007

Date Enrolled: March 13, 2008

Date of Analysis: March 14, 2008

Position: The Department of Labor & Economic Growth supports the bill.

Problem/Background: In 2003 the Michigan Legislature passed a seven-bill package designed to decriminalize certain blight violations and permit a city to establish an administrative hearings bureau to hear such cases. The City of Detroit launched such a bureau in early 2003.

Dangerous buildings are a significant contributor to blight. These structures may have been damaged by fire, flood, wind, and neglect. They can become magnets for vandalism and crime. The City of Detroit razes about 1,000 such buildings each year.

Description of Bill: The bill amends Section 141b of the Housing Law of Michigan to allow a city that has an ordinance that is substantially the same as the act to designate violation of its ordinance and the act as a blight violation in accordance with Section 4q of the Home Rule City Act. This section of the Home Rule City Act permits certain cities to create an administrative hearings bureau.

Summary of Arguments

Pro: The administrative hearings bureau in Detroit has been very effective in attacking blight. A November 12, 2007 story in the *Detroit News* noted that ". . .the Department of Administrative Hearings, commonly called the blight court, is gaining on the problem of illegal dumping and dilapidated properties and is far superior to the system in the old days, when violators were taken to the 36th District Court." The violation proposed for addition to the purview of the bureau is a natural extension that is a low priority in the district court. The bill will increase the effectiveness of ordinance enforcement in Detroit and other cities that have established such bureaus.

Con: A concern was expressed in 2003 when the original concept was enacted that some local officials might be inclined to look on an administrative hearings bureau primarily as a revenue-raising device rather than a means of attacking blight.

Fiscal/Economic Impact

(a) **Department:** There is no direct impact on the department.

(b) State: There is no direct impact on state government.

(c) Local Government

Comments: Detroit and Warren have established administrative hearings bureaus under the 2003 statute.

Other State Departments: No other state departments have expressed interest or concerns regarding this bill.

Any Other Pertinent Information: The City of Detroit and the Michigan Municipal League support the bill. There was no opposition.

Administrative Rules Impact: There is no administrative rule impact.